

GODREJ SARA LEE LTD

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v.

SIAH TEONG TECK & ANOR (NO 2)

HIGH COURT MALAYA, KUALA LUMPUR

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RAMLY ALI J

[ORIGINATING MOTION NO: D5-25-2-2007]

29 AUGUST 2007

TRADE MARKS: *Registered trade mark - Application for expungement and removal from Register of Trade Marks - Whether plaintiff aggrieved person - Whether disputed trade mark used by first respondent during relevant period of time - Whether non-use of trade mark due to peculiar or abnormal external events - Whether court to remove disputed trade mark registration under provisions of Trade Marks Act 1976, s. 46*

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The applicant filed this motion for, among others, an order that the Trade Mark Registration No. 98/00228 be expunged and removed from the Register of Trade Marks, Malaysia. The applicant was in the business of manufacturing, distributing, supplying, selling and offering for supply various consumer goods *ie*, mosquito repellent mats and coils. Among the trade marks of the applicant was the trade mark 'GOODKNIGHT.' To protect this mark in Malaysia, the applicant filed for registration the said trade mark in relation to the said goods. This trade mark application by the applicant was objected to by the Registrar of Trade Marks on the basis of trade mark 98/00228 (the disputed trade mark). Thus, to make out its case under the motion, the applicant would have to prove and establish the following: (i) that it was aggrieved party; (ii) there had been non-use by the first respondent for a continuous period of three years up to one month before the application to remove the trade mark was filed.

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Held (granting order in terms set out in the notice of originating motion filed herein with costs):

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- (1) 'An aggrieved person' would be all persons who are in some way or other substantially interested in having the mark removed *ie*, all persons who would be substantially damaged if the mark remained. It was obvious from the affidavit of one Virkar that the trade mark of the applicant had been objected to on the basis of the disputed trade mark. The disputed trade mark thus stood in the way of the applicant's

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- A registration and if not for the disputed trade mark, the applicant's trade mark would proceed to registration. This under the established principles and case law clearly made the applicant an aggrieved party. The applicant thus had the necessary *locus standi* to bring this action and sought for the
- B removal of the first respondent's trade mark from the register maintained under the Trade Marks Act 1976. (paras 14 & 16)
- (2) According to the provisions of s. 46 of the Trade Marks Act
- C 1976, for use to be constituted and taken into account, the use must be in relation to the goods claimed in the registration. Merely seeking approval and obtaining it did not translate to actual use of the mark in the course of trade. A
- D party may or may not follow up with use of the mark after approval had been secured. For actual use to arise, there must be use of the mark on or in relation to goods. This would include affixing the mark to the goods or in an advertisement, circular or a catalogue. This was not demonstrated on the evidence submitted. (para 25)
- E (2a) The non-use of the trade mark was a purely commercial choice and not due to any peculiar or abnormal external events. Even if discretion was to be exercised in the case of
- F an application under s. 46 of the Trade Marks Act 1976, that discretion would have to be exercised judiciously. It was beyond doubt that the first respondent had not used the disputed trade mark during the relevant period of time between 5 January 2004 and 5 January 2007. This was not denied by the first respondent and neither had the first
- G respondent shown any evidence of use of the mark during this relevant period of time. In fact, the first respondent, just to defeat this motion, tried to commence use of the said trade mark after this motion was filed by the applicant to remove the said trade mark from the register. This use was
- H not during the relevant period of time. The timing of the use by the first respondent was also questionable. The first respondent had clearly slept on their rights during the material period of time and to blame the applicant would be unfair and unkind. (paras 36 & 43)

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- (3) The applicant had on the evidence shown that it was an aggrieved party and that there had been non-use of the disputed trade mark registration for a continuous period of three years up to one month preceding the application to remove the disputed trade mark. This evidence which was supported by independent investigations had not been rebutted or challenged by the first respondent. In fact there were admissions in the affidavits of the first respondent on this issue of non-use during the material period. The facts clearly demonstrated ample reasons for the court to remove the disputed trade mark registration under the provisions of s. 46 of the Trade Marks Act 1976. (paras 49 & 50)

Case(s) referred to:

Aktiebolaget manus v. Fullwood & Blkand Ltd [1949] 66 RPC 71 (**dist**)
BULOVA Trade Mark [1967] RPC 29 (**refd**)
Fazaruddin Ibrahim v. Parkson Corporation Sdn Bhd [1997] 2 CLJ 863 HC (**refd**)
J Lyons & Coy, Ltd's Application for Rectification of the Register in respect of Trade Mark No: 418, 577 [1958] RPC 466 (**refd**)
Service Master (M) Sdn Bhd v. MHL Servicemaster Sdn Bhd & Anor [1998] 1 CLJ 459 HC (**refd**)
Trina Trade Mark [1977] RPC 131 (**refd**)

Legislation referred to:

Trade Marks Act 1976, ss. 45(1)(a), 46(1)(b), (4)

Trade Marks Act 1938 [UK], s. 26

For the applicant - S Indrani; M/s Shearn Delamore & Co
For the 1st respondent - LG Sha; M/s Sha Lai Gwen & Assoc

Reported by Suhainah Wahiduddin

JUDGMENT

Ramly Ali J:

Introduction

[1] The motion dated 5 February 2007 before the court is filed by the applicant for, among others, the following reliefs:

- (i) an order that the Trade Mark Registration No. 98/00228 be expunged and removed from the Register of Trade Marks, Malaysia;

- A (ii) in the event prayer (i) is granted, an order directing the Registrar of Trade Marks, Malaysia to rectify the Malaysian Register of Trade Marks by removing therefrom the whole entry relating to Trade Mark Registration No. 98/00228 and cause such fact of rectification and removal to be published in the Government Gazette forthwith after the order is served on him;
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- (iii) costs incidental to this application be paid by the 1st respondent; and
- C (iv) such further and other reliefs as this court deems fit.

[2] The grounds in support of the motion can briefly be summarised as follows:

- D (a) that up to one (1) month before the date of this application a continuous period of not less than three (3) years had elapsed during which Trade Mark No. 98/00228 for “GOODKNIGHT” in Class 5 was a registered trade mark and during which there was no use in good faith of Trade Mark Registration No. 98/00228 in relation to mosquito coils, insecticide and mosquito repellent by the 1st respondent or his registered user (if any); and
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- (ii) that the applicant is an aggrieved person as the 1st respondent’s Trade Mark Registration No. 98/00228 has been cited against the applicant’s Trade Mark Application No. 2001/09615 in Class 5.
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Factual Background

- G **[3]** The facts of the matter are set out in the 2 affidavits filed by the applicant and the affidavits filed by the 1st respondent. In summary, the facts can be set down in the following manner. The applicant is in the business of manufacturing, distributing, supplying, selling and offering for supply various consumer goods.
- H This would include mosquito repellent mats and coils, insecticides, pesticides and insect repellants.
- [4]** Among the trade marks of the applicant is the trade mark “GOODKNIGHT”. To protect this mark in Malaysia, the applicant filed for registration the said trade mark in relation to the said goods. The trade mark application is evidenced in exh. BSV1 in the affidavit of Virkar.
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[5] This trade mark application by the applicant was objected to by the Registrar of Trade Marks on the basis of trade mark 98/00228 (the disputed trade mark). The objection letter by the Registrar of Trade Marks, Malaysia is set out in exh. BSV2 of the affidavit of Virkar.

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[6] As this trade mark was certainly an obstacle to the registration of the trade mark of the applicant, investigations were carried out by the applicant which revealed that the disputed trade mark was not used for a continuous period of three (3) years up to one (1) month before the application to remove the said trade mark was filed in court.

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[7] This fact has not been denied or disputed by the 1st respondent in his affidavits in reply. In fact the only issue raised by the 1st respondent is that the trade mark was not used during the material period owing to a possible conflict of interest.

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[8] The Registrar of Trade Marks Malaysia was initially joined as a party (as the 2nd respondent) to give full effect to the orders sought by the applicant. The applicant took the position that since the prayers sought for bound the Registrar of Trade Marks, the Registrar should be named as party. However as a result of an application filed on behalf of the Registrar of Trade Marks, the 2nd respondent, the court had on 9 July 2007 ordered that the 2nd respondent be removed as party to the suit. The court however commented that the striking out of the 2nd respondent would not affect the merits of this case on the interest of the applicant. The court further held that the 2nd respondent would comply with any order directed to him in the event that the court were to hold in favour of the applicant.

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Applicable Law

[9] The applicant's application for removal is premised on the provisions of s. 46 of the Trade Marks Act 1976 (the Act). A useful starting point would thus be an examination of this s. 46 which provides as follows:

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- (1) Subject to this section and section 57, the Court ... may, on application by a person aggrieved, order a trade mark to be removed from the Register in respect of any goods (or services) in respect of which it is registered on the ground:

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- A (a) that the trade mark was registered without an intention in good faith, on the part of the Applicant for registration or, if it was registered under subsection (1) of section 26, on the part of the body corporate or registered user concerned to use the trade mark in relation to those
- B goods (or services) and that there has in fact been no use in good faith of the trade mark in relation to those goods (or services) by the registered proprietor or registered user of the trade mark for the time being up to the date one (1) month before the date of the application; or
- C (b) that up to one (1) month before the date of the application a continuous period of not less than three (3) years has elapsed during which the trade mark was a registered trade mark and during which there was no use in good faith of the trade mark in relation to those goods
- D (or services) by the registered proprietor or the registered user of the trade mark for the time being.

E [10] An examination of the facts led in the affidavits of Virkar and Kuah affirmed on behalf of the applicant would show that the applicant is relying on limb (b) of s. 46(1) of the Act. On the outset, it is clear that the usage of the word “or” in the section would mean that only one (1) of the limbs need to be satisfied.

F [11] Thus to make out its case under the motion, the applicant would have to prove and establish the following:

- G (i) that it is an aggrieved party; and
- (ii) there has been non-use by the 1st respondent for a continuous period of three (3) years up to one (1) month before the application to remove the trade mark was filed.

Is The Applicant An “Aggrieved Party”?

H [12] Section 46(1) of the Act has been inserted into the Act to prevent applications being made by any person, limiting it to those who have a genuine interest in the matter. In other words, the applicant by virtue of this section has to show *locus standi* in the matter by showing an interest in the mark. This could be addressed and clarified with reference to the cases on point.

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[13] In *Fazaruddin Ibrahim v. Parkson Corporation Sdn. Bhd.* [1997] 2 CLJ 863, Abdul Malik Ishak J opined that the phrase “person aggrieved” should be construed liberally. His Lordship went on to state that this would include:

any person whose own application for registration is obstructed by the opposing party in the suit ...

[14] In *Service Master (M) Sdn. Bhd. v. MHL Servicemaster Sdn. Bhd. & Anor* [1998] 1 CLJ 459, Kamalanathan Ratnam JC (as his Lordship then was) stated that “an aggrieved person” would be all persons who are in some way or other substantially interested in having the mark removed. This would include all persons who would be substantially damaged if the mark remained.

[15] In *Trina Trade Mark* [1977] RPC 131, the court in UK held that by reason of the fact that the applicant’s trade mark was blocked by the disputed trade mark made the applicant an aggrieved party.

[16] On the facts of this case, it is obvious from the affidavit of Virkar that the trade mark of the applicant has been objected to on the basis of the disputed trade mark. This is found in para. 10 and exh. BSV2 of the affidavit of Virkar. The disputed trade mark thus stands in the way of the applicant’s registration and if not for the disputed trade mark, the applicant’s trade mark would proceed to registration. This under the established principles and case law clearly makes the applicant an aggrieved party. The applicant thus has the necessary *locus standi* to bring this action and seeks for the removal of the 1st respondent’s trade mark from the register maintained under the Trade Marks Act 1976.

Non-Use For A Continuous Period Of Three (3) Years

[17] Here the period for time of three (3) years would be the period of time up to one (1) month preceding the application to remove or expunge the trade mark. As the application was filed on 5 February 2007, the relevant three (3) years period of non-use that has to be shown, would be between 5 January 2004 to 5 January 2007. To conclude and decide if this has been made out on the facts, the evidence in the form of the affidavits filed have to be considered. First, there are the affidavits of Virkar and Kuah on behalf of the applicant which clearly point towards showing and establishing the non-use of the trade mark by the 1st

- A respondent during the material period of time. This is set out in paras. 18 to 21 and exh. BSV5 of affidavit of Virkar and paras. 7 to 10 and exh. SK1 of the affidavit of Kuah.
- B [18] The 1st respondent in reply has not challenged this position in any significant way nor has any rebuttal been made on the facts presented by the applicant in their affidavits. It is trite law that an assertion of fact raised. In an affidavit, which has not been traversed, shall be deemed admitted. As a matter of fact in para. 15 of the first affidavit of the 1st respondent, there is admission
- C that there has been no use of the disputed trade mark in relation to mosquito coils during the material period of time between 5 January 2004 to 5 January 2007.
- D [19] Case law has suggested that all the applicant for rectifications have to prove at the outset is *prima facie* case of non-use. Once this is done, the burden falls upon the registered proprietor being the 1st respondent (in the present case) to show evidence of use during the material period of time. (*Trina Trade Mark* [1977] RPC 131).
- E [20] In the present case, a *prima facie* case has been made out. Independent investigations have been carried out by the applicant. This is evidenced by the affidavit of Virkar and particularly the affidavit of Kuah which clearly show the non-use of the mark by
- F the 1st respondent. Paragraphs 7 to 10 and exh. SK1 of the affidavit of Kuah clearly sets out and particularises the evidence of non-use on the part of the 1st respondent of the disputed trade mark. In fact the investigation report as set out in the affidavits of Virkar and Kuah covered investigations on the 1st respondent as well and admissions by the 1st respondent that
- G there has been no use of the trade mark in relation to the goods covered by the registration.
- H [21] It is thus clear that a *prima facie* case has been established. It is thus up to the 1st respondent to refute this position. The question is whether the 1st respondent has in fact done this. For an answer to this, the affidavits in reply filed by the 1st respondent have to be considered.
- I [22] The question to be answered is whether the 1st respondent has shown use of the mark in the course of trade in relation to the goods covered by the registration during the relevant period of time required under s. 46 of the Trade Marks Act 1976. If the

affidavits of the 1st respondent are to be examined, there is no such evidence. It is important to note that the period of use of the mark must be between the period of 5 January 2004 to 5 January 2007. A few factual points have nevertheless been raised by the 1st respondent which are set out below. These points do not provide an excuse or a defence and does not deflect the *prima facie* case of non-use. As a matter of fact, the factual issues raised in the affidavits of the 1st respondent in actual fact confirms the position that there is non-use of the disputed trade mark during the relevant period. In any case and for ease of reference, the court shall consider the assertions raised by the 1st respondent, which are set out in the following paragraphs.

[23] The 1st respondent has firstly alleged that there has been use of the disputed trade mark in relation to Liquid Vaporiser in 1996. In support of this, he has relied on the evidence of an application made by a certain Sri Dapat Sdn. Bhd. to the Pesticides Board for approval. There is further a supporting document by Sumitomo Chemical Company Ltd. for the purposes of this approval.

[24] The court is of the view that this does not constitute use in the context of the current dispute and there are three (3) reasons for this, which would be explored in greater detail below.

[25] Firstly, if the provisions of s. 46 are to be considered, for use to be constituted and taken into account, the use must be in relation to the goods claimed in the registration. Merely seeking approval and obtaining it does not translate to actual use of the mark in the course of trade. A party may or may not follow up with use of the mark after approval has been secured. For actual use to arise, there must be use of the mark on or in relation to goods. This would include affixing the mark to the goods or in an advertisement, circular or a catalogue. This is not demonstrated on the evidence submitted. In the case of *J. Lyons & Coy., Ltd's Application for Rectification of the Register in respect of Trade Mark No: 418, 577* [1958] RPC 466, the court made a clear distinction between the actual use of the mark and a mere intention to use the mark. In the latter instance, there was no recognised use of the mark. In this case, there is no evidence of actual use of the mark.

A [26] Secondly, even if the application for registration with the Pesticides Board was followed by use (which is denied and clearly not shown), this would be used by Sri Dapat Sdn. Bhd. and not the 1st respondent. If s. 46 is examined, the use during the material period has to be by the registered proprietor (being the
B 1st respondent) or a registered user. Clearly Sri Dapat Sdn. Bhd. is not a registered proprietor. There is further no evidence in the affidavits filed by the 1st respondent to suggest that any registered users have been entered in relation to the disputed trade mark registration. Thus even if we were to accept that Sri Dapat Sdn.
C Bhd. had used the mark in the course of trade (which is disputed and clearly not shown), such use is not recognised as use within the context of s. 46 of the Trade Marks Act 1976.

D [27] Thirdly, even if we accept that the Sri Dapat Sdn. Bhd. used the mark, and were a registered user of the mark (both of which are not shown on this facts), there is no evidence tendered to show use of the mark during the material period being between 5 January 2004 to 5 January 2007. Any alleged or purported use in 1996 does not necessarily translate to use during the material
E period of time. A similar reasoning was applied in the case of *Trina Trade Mark* [1977] RPC 131 where the court held that use outside the relevant period cannot be considered to deflect to assertion of non-use.

F [28] The second factual point raised in the affidavit of the 1st respondent relates to an admission of non-use of the disputed trade mark registration in relation to mosquito coils during the material period. The 1st respondent has however suggested that the reason for this non-use is that if he had used the trade mark
G in issue, it would have resulted in a conflict of interest with Shell (Malaysia) Bhd. and then Reckitt Colman Ltd. and later Reckitt Benkiser (Malaysia) Sdn. Bhd. An examination of this response would suggest that the 1st respondents are seeking to rely on the provisions of s. 46(4) of the Trade Marks Act 1976 which reads as follows:
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An Applicant is not entitled to rely for the purposes of paragraph (b) of subsection (1) or for the purposes of subsection (3) (or 3A) on any failure to use a trade mark if failure is shown to have been due to special circumstances in the trade and not to an
I intention not to use or to abandon the trade mark in relation to the goods to which the application relates.

[29] This provision provides an excuse for the non-use. However to come within this provision, the 1st respondent would have to show that his non-use was as a result of special circumstances in the trade. On the facts alleged by the 1st respondent, he seems to be relying on the agreements between Sri Dapat Sdn. Bhd. and Shell. Reckitt Colman and Reckitt Benkiser respectively. Firstly, the agreement with Reckitt Colman, Reckitt Benkiser and Shell have not been tendered to show how a conflict of interest would arise. Secondly, any alleged or purported agreement is between Sri Dapat Sdn. Bhd. and these parties. The 1st respondent is not party to these agreements. Thirdly, as the evidence in the affidavit of Kuah would show, Sri Dapat Sdn. Bhd. did manufacture and sell other brands of mosquito coils. This can be seen in the investigation report annexed as SK1 in the affidavit of Kuah. If conflict of interest is alleged as claimed by the 1st respondent, surely, the sale of other brands of mosquito coils not produced by Shell and Reckitt Colman should also not be produced. Why should the production of mosquito coils bearing the disputed trade mark be treated any differently when compared to the other brands manufactured and marketed by Sri Dapat Sdn. Bhd.

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[30] Having said that, even if we were to accept that Sri Dapat Sdn. Bhd. acted for the 1st respondent and even if we accept that the production of mosquito coils would result in a conflict of interest the court is of the view that this does not constitute special circumstances that would excuse the use of the disputed trade mark by the 1st respondent.

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[31] There are no Malaysian decisions on this point, but there are some UK decisions which have interpreted a *pari materia* provision under s. 26 of the UK Trade Marks Act 1938 which could shed light on this issue.

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[32] In the decision in *BULOVA Trade Mark* [1967] RPC 29, Ungood Thomas J held relying on the decision of Evershed LJ in the case of *Aktiebolaget manus v. Fullwood & Blkand Ltd.* [1949] 66 RPC 71 as follows:

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It seems to me that both what Evershed LJ refers to as “the ordinary and common-sense meaning of the words” of the section and his own observations lay down that, if “peculiar or abnormal”, “external” circumstances exist due to which there is non-use, then the requirement of the section is satisfied. Thus it

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- A is enough that there are special circumstances in the sense circumstances making any ordinary usage of international trade impracticable, if that is the reason for the trader's non-use of a mark.
- B [33] Two (2) conditions thus have to be satisfied which are as follows:
- (i) the special circumstances must be peculiar or abnormal and must be external in nature: and
- C (ii) the non-use must be as a result of those circumstances.
- D [34] Turning to the first criteria, the court finds that the circumstances relied upon by the 1st respondent are neither peculiar nor abnormal. Entering into an agreement to contract manufacture for Shell and Reckitt can hardly be said to be peculiar or abnormal in business. More importantly this was not an external factor as the decision to contract manufacture for Shell and Reckitt was a commercial decision taken by Sri Dapat Sdn. Bhd. independently. This can hardly be said to be an external event.
- E This can be contrasted with the case of BULOVA where the failure to use the mark was as a result of a quota imposed by a Government Order which was not in the control of the proprietor.
- F [35] Moving on to the second limb, even if we accept that the agreement with Shell and Reckitt amount to special circumstances (which it clearly is not), the evidence as submitted suggests that the non-use cannot be due to the reason of conflict of interest furnished by the 1st respondent. It is clear from the affidavit of Kuah that Sri Dapat Sdn. Bhd. produced various other brands of mosquito coils during the material time. The question that has to
- G be posed to the 1st respondent and Sri Dapat Sdn. Bhd. would be how were these produced despite the issue of conflict.
- H [36] It is thus clear from the facts and evidence that the non-use was a purely commercial choice and not due to any peculiar or abnormal external event. It would clearly be unjust for the 1st respondent to rely on such actions to justify their non-use. In any case, as stated above, Sri Dapat Sdn. Bhd. is a separate legal personality and this the reason furnished as to their (Sri Dapat's) non-use should not necessarily apply to the 1st respondent.

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[37] Then the 1st respondent filed another affidavit, which was affirmed on 13 July 2007. In the said affidavit, the 1st respondent raised the point that his trade mark had been used by Sri Dapat Sdn. Bhd. in relation to Mosquito Coils. In support of this contention the 1st respondent submitted evidence of their packaging for their product as well as an application to the Pesticides Board. This is evidenced in exhs. STT5 and STT6 on the said affidavit.

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[38] The court finds that this in any case does not assist the 1st respondent in addressing the contentions raised by the applicant in the motion. Firstly, any alleged use and application for registration has been made by Sri Dapat Sdn. Bhd. We have seen from the provisions under s. 46 of the Trade Marks Act 1976, that for this use to be recognised to defeat the removal action, the use must be by the registered proprietor or his registered user. Here the alleged use is by Sri Dapat Sdn. Bhd. and not the 1st respondent. There is further no evidence to suggest that Sri Dapat Sdn. Bhd. was the registered user of the trade mark in issue. Therefore, any alleged use by Sri Dapat Sdn. Bhd. cannot be taken into consideration.

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[39] Secondly and more importantly, even if we were to accept the 1st respondent's evidence that there has been use of the mark by Sri Dapat Sdn. Bhd., the question is whether the use was during the material period ie, between 5 January 2004 to 5 January 2007. Unfortunately for the 1st respondent, his own affidavit suggests otherwise. The purported application to the Pesticides Board was made on 10 May 2007, which was clearly after the material period. It is also observed from the letter from Sri Dapat Sdn. Bhd. in exh. STT6 that the application was a new application for registration. We can thus accept that given the fact that a new application for registration was only made on 10 May 2007, there could not have been use of the trade mark in relation to mosquito coils before that date. There certainly would not have been use of the trade mark during the material period between 5 January 2004 to 5 January 2007. In *Trina Trade Mark* [1977] RPC 131 the court held that use outside the relevant period cannot be considered to deflect the assertion of non-use.

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- A [40] Finally, we have seen that the application for registration does not necessarily imply that the trade mark has been used in the course of trade. The 1st respondent has failed to tender evidence to show that the goods bearing the trade mark were actually in the market. Therefore, any assertion of alleged use can be discounted.
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- [41] For these reasons, the alleged use relied upon in the second affidavit of the 1st respondent is not material and should not be considered for the purposes of this application by the applicant.
- C It is clear that despite these attempts on the part of the 1st respondent, he has not shown that he has used the trade mark during the material period. In fact if the investigation report as set out in the affidavits of Kuah and Virkar are considered, there are admissions by the 1st respondent that there has been no use of the disputed trade mark in relation to the goods of interest during the material period of time. This point has not been disputed or challenged in the subsequent affidavits filed by the 1st respondents.
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E **The 1st Respondent's Submission On Court's Discretion**

- [42] The 1st respondent relied on the earlier decision of this court in the case of *Coram Industria De Diseno Textile v. Edition Concept Sdn. Bhd.* [2005] to suggest that the power to remove a trade mark under s. 45 is entirely discretionary. In coming to this decision, the court relied on the use of the words "it thinks fit" in s. 45(1)(a) of the Act to incorporate this discretion. It is pertinent to note that while the phrase "it thinks fit" is found in s. 45(1)(a), it is not similarly found in s. 46 which is the basis of the applicant's motion in this case. Section 46 on the other hand is more straight forward. If on the facts, it is shown that the trade mark which is the subject matter of the action has not been used during the relevant period of time the trade mark ought to be removed. Any other finding would result in the s. 46(1)(b) being rendered redundant.
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- H [43] Having said that, the court is of the view that even if discretion is to be exercised in the case of an application under s. 46, that discretion would have to be exercised judiciously. In this case, it is beyond doubt that the 1st respondent has not used the disputed trade mark during the relevant period of time between 5 January 2004 and 5 January 2007. This is not denied by the 1st respondent and neither has the 1st respondent shown
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any evidence of use of the mark during this relevant period of time. In fact, the 1st respondent just to defeat this motion tried to commence use of the said trade mark after this motion was filed by the applicant to remove the said trade mark from the register. This use is not during the relevant period of time. The timing of the use by the 1st respondent is also questionable. The issue is whether the 1st respondent would have actually used the mark if not for this action by the applicant. The 1st respondent has clearly slept on their rights during the material period of time and to blame the applicant now would be unfair and unkind.

[44] This is a classic case for the application of s. 46(1)(b) of the Trade Marks Act 1976. If the court does not remove the trade mark in this case, it would render the provisions of s. 46(1)(b) redundant.

[45] It is also important to observe that this court in the *Coram Industria De Diseno Textile v. Edition Concept Sdn. Bhd. (supra)* did consider the application of s. 46(1)(b) of the Trade Marks Act 1976. In that case the court made the following findings in deciding on the applicability of s. 46(1)(b):

- (i) the period of non-use must be during the relevant period of which is up to one (1) month immediately preceding the application to remove; and
- (ii) the trade mark must be a registered trade mark during this period in that the trade mark has been actually entered upon the Register.

[46] Based on (i) above, the relevant period of time on the facts of this case is between 5 January 2004 and 5 January 2007. This has been presented clearly in the affidavits filed by the applicant. The 1st respondent has not presented any evidence to show use of the trade mark in the course of trade during this period.

[47] Moving on to item (ii) above, the facts show with reference to para. 13 and BSV4 of the affidavit of Virkar that the certificate of registration was issued on 2 January 2002. Therefore, the trade mark was a registered trade mark during the relevant period of time between 5 January 2004 and 5 January 2007.

A [48] Thus on the facts and if the decision of the court in *Coram Industria De Diseno Textile v. Edition Concept Sdn. Bhd. (supra)* is relied upon, the applicant has clearly made out a case under s. 46(1)(b) of the Trade Marks Act 1976.

B **Conclusion**

C [49] In conclusion, it is abundantly clear that the applicant has on the evidence shown that it is an aggrieved party and that there has been non-use of the disputed trade mark registration for a continuous period of three (3) years up to one (1) month preceding the application to remove the disputed trade mark. This evidence, which was supported by independent investigations, has not been rebutted or challenged by the 1st respondent. In fact there are admissions in the affidavits of the 1st respondent on this issue of non-use during the material period.

D [50] The facts clearly demonstrate ample reasons for the court to remove the disputed trade mark registration under the provisions of s. 46 of the Trade Marks Act 1976. Therefore, the court grants order in the terms set out in the notice of originating motion filed herein, with costs.

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